

(15)
12
PROPOSALS

For RESTORING

CREDIT;

For MAKING the

Bank chiefly

Bank of ENGLAND

More USEFUL and PROFITABLE;

For RELIEVING the SUFFERERS of the

SOUTH-SEA Company;

FOR THE

BENEFIT of *that* of the *East-India*;

And for RAISING the

VALUE of the LAND-INTEREST

OF

GREAT BRITAIN.

Humbly Offered to the Consideration of

Both HOUSES of PARLIAMENT.

Licet reverti in viam, licet in Integrum restitui. SEN.

L O N D O N:

Printed in the YEAR M. DCC. XXI.

PROPOS

CRID



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THE
PREFACE.



THE Author being sensibly affected with the distress'd and perplex'd State of Credit, humbly offers the following Proposals to the Consideration of both Houses of Parliament; and having advanced nothing, but upon Foundations that he hopes will be found to be truly solid and practicable, the great Principle on which all Schemes ought to be built, persuades himself, that what is offer'd, with no other view, than to raise and establish Credit, will, under the

4 The P R E F A C E.

Reign of so GRACIOUS a SOVEREIGN, and a British Parliament, be so far acceptable at least, as to engage their Attention a little; especially seeing publick Records, upon which the Superstructure is rais'd, have been already successfully made use of, not only in North-Britain, but in some Parts of South-Britain also; and that what is farther propos'd, is both candidly suggested and explain'd, and perfectly safe in the Experiment; but however he succeeds, he is far from arrogating to himself the Invention either of Records, or the Powers of Banking: Neither does he pretend to be the first who has pointed out and demonstrated the Usefulness of Paper-Money, and therefore makes no Merit of his Scheme, as those who assume the Character of Projectors do, but will reckon his Labour fully compensated, if he has the good Fortune to hint any thing that can be of Use to the Publick.

P R O-

PROPOSALS

For RESTORING

CREDIT, &c.



IN the present State of Uncertainty, as to the Conditions of Men, where the Failing of noted Bankers, and Gentlemen of reputed Fortunes, has occasion'd an universal Diffidence; it will be necessary, in order to restore *Credit* upon a solid Foundation, that *Means* be found out for discovering such substantial and extensive *Funds* of Credit, as may be safely depended upon; I mean *Funds* of a Nature capable of being so

*To restore
Credit Funds
must be dis-
covered, and
ascertain'd.*

ascertain'd, as that they mayn't be alienated, to the Disappointment and Prejudice of *those* who shall trust to 'em.

As *those Funds encrease in Value*, their *Credit* will arise also.

If such solid and extensive *Funds* were discover'd and ascertain'd, they wou'd soon gain Credit; and Men having somewhat to trust to, at Bottom, wou'd venture a little *elsewhere*; I mean, upon less solid *Securities*, in hopes of Gain, and so *Credit* would in a short time be restor'd as extensively as ever.

The Land-Interest the best Fund of Credit;

Now, no Fund of *Credit* can be propos'd so solid and valuable, as *that* of the *Land-Interest* of *Britain*, which may be suppos'd to be worth *Twenty Millions per Annum*; no matter, tho' this Calculation is not exact, 'twill only be needful to find Means for ascertaining the *Tales* of it; so that they may be depended upon as proper *Funds* of *Credit*.

And may be ascertain'd by appointing Records.

To this End it will be necessary, that *Records* be appointed to be kept in every County, and a general one at *London*; where, without forcing any to Register their *Estates*, it may be left optional to every one to do it, or not, as he pleases; but with *this* Encouragement to those who do; that as it must procure 'em Credit from their Neighbours, so it will put them in a Condition to borrow, at a low Interest, perhaps for 3 per Cent. per *Annum* of the Bank of *England*,

Those who register their Estates, will thereby be put in a Condition to borrow of the Bank at a low Interest.

land, who to enable her to lend after that Rate for the *Publick Good*, may have the *Encouragements hereafter* set forth.

THAT those *Records* may be the more *secure*, it may be order'd, That after they have been kept open for registering *Estates* for some time, suppose *three* or *four Months*, they, at such a Period, may be shut for the space of two or three Months following, during which Time every one may be allow'd to inspect what *Estates* are recorded; and that the *Circumstances* of such *Estates* may fully appear, the *Claims* of all Pretenders thereto, whether of *Property*, or by Way of *Mortgage*, &c. may be appointed to be enter'd in such a short Time thereafter, as the Parliament shall think fit; and when that Time is expir'd, the *Records* being inspected, by such Persons as shall be appointed for that *Effect*, the *Estates*, upon which no Claim is enter'd by a Competitor, may be declar'd to belong to the *Proprietors*, whose *Titles* are register'd, without Prejudice to the *Debts* or *Mortgages* claim'd on 'em; and so from Time to Time the *Registers* may be open'd shut, and examin'd as shall be directed, whereby *Credit* will be put upon a *solid and lasting Foundation*.

At the same Time that *Estates* are register'd that is, such *Titles* or *Infeoffments* of 'em, as shall be found needful 'tis necessary, that the *Particulars*, or *Rentals* of those *Estates*, be gi-

ven

At the same Time that *Estates* are register'd, the *Rentals*, or *Particulars* of them are to be given in,

that after
Cognizance
of 'em is ta-
ken, they may
be register'd
also.

ven up, that after proper Cognizance is taken of 'em, they may be recorded also; and the Value of the Estates being known, the Proprietors may be stated Creditors by the Value, and Debtors for what Life-Rents, Debts, or Mortgages are claim'd, as affecting the same, whereby it will appear what may be lent upon them; Liberty may be also given to record, from Time to Time, the Improvements that happen to be made of the Rentals.

Those who
have heavy
Debts, need
not be afraid
to register
their Estates.

THOSE who have heavy Debts, need not be afraid to register their Estates, seeing an Estate overcharg'd with Debt, at an Interest of 5 per Cent, may be a Fund for borrowing such a Sum at 3 per Cent, as will discharge the Debt which bears Interest at 5, and leave a great Reversion to the Proprietor, not less than two Fifths of his Estate, supposing it wholly exhausted before.

NOR ought those who have Debts or Mortgages upon Estates, to grudge a Redemption in Sale to Proprietors, when probably they themselves, in other Branches of their Fortunes, whether their Properties of Land, or their Shares of the Stocks be consider'd, gain more by such Measures, than they can lose by such Redemptions; and tho' in some few Instances it may happen to be otherwise, that ought, by no means, to obstruct what must tend so much to the Benefit of the Publick.

1 WHEN

When *Claims* upon register'd Estates are enter'd, they may either be order'd to be expeditiously try'd, before Judges appointed to that Effect, or may be left to be try'd, as the Parties themselves shall think fit to insist, in the usual Forms of Law; and so soon as such Claims are determin'd, the Decisions, or Determinations thereof, whether by *Agreement of Parties*, or by *Judicial Sentences*, may be enter'd in the *Records*, that the *Estate* may either remain charg'd, or be clear'd accordingly.

The Determinations of Claims upon register'd Estates to be enter'd in the Records.

It may be committed to the twelve Judges to make *Overtures* for the suitable Disposition of the *Records*, for pointing out what Deeds, or Titles, ought to be recorded, what Officers may be requisite, and for regulating the Fees; and 'tis not doubted but the *Records* could be put in such Order, that at first Sight, the Condition and Circumstances of the register'd Estates, might be made appear, which would be a very great Satisfaction and Advantage to all concern'd.

The twelve Judges to make Overtures for the Disposition of the Records.

Such *Records* would not only raise Funds of Credit to the Value of the *Reversions* remaining free to the Proprietors, but would even serve to make all the *Mortgages*, and *Debts*, secur'd on those Estates, to be Funds of Credit also; whereby solid Funds of Credit would be rais'd to the Value of all the *Land-Interest* in Britain, a greater Extent of Credit than ever was known

Records would raise Funds of Credit to the Extent or Value of the Land Interest.

before, and upon a more *lasting* Foundation; for I can't doubt but the Inducements would soon be found strong enough to make every one *register* his Estate.

As the *Land-Interest* must of Consequence rise in its Value, and the Credit upon it, in Proportion, 'twill be just as if so much more *Specie* was gain'd to *Britain*; Money and Credit having the same Effect.

EVERY Proprietor, who has any Confidence in his own Title, will *register* his Estate, and be desirous that his Title be render'd unexceptionable: He who has not *that* Confidence, will forbear till his Title is better establish'd, and so long as his Estate is not *register'd*, 'tis plain no Claim can be enter'd upon it.

There can be no Hardship in limiting the Time for entering the Claims on registered Estates.

THERE can be no Hardship in limiting the Time for entering the Claims on the register'd Estates, seeing 'tis for the good of the *Nation* in general, that *Property* be ascertain'd. Nor do we want Precedents for *this*, even in less momentous Cases, where the Inducements were not near so strong. 'Tis not long, since by a *Law* the Claims of all Pretenders to the *forfeited Estates* were appointed (and not without Reason) to be enter'd within a *limited Time*; and that was also extended to *personal* Claims: Whereas *here*, 'tis only propos'd, that *real* Claims be enter'd; I mean such as affect the *Estates*:

Estates; And what should make us averse to a Measure so much for the Publick Good?

I AM apt to think that none would find their Account in obstructing the Establishment of Records, but those who are utterly Bankrupt, and whose *Debts* and *Mortgages* do far exceed their *Estates*; but if it was for no other Reason than to discover the Circumstances of such, and to prevent their carrying the Cheat farther, Records appear highly necessary; for the surer the Means for discovering such Bankruptcies are, the better Foundation is laid for raising Credit.

No body can find his Account in opposing the establishing of Records, but they who are utterly bankrupt.

FROM what has been said, every one will be naturally led to enquire by what Means the Bank will be enabled to lend Money on *Land* to such a Value, as may serve the great End propos'd; that is, how she shall find *Specie* to circulate such Quantities of Bank Notes, as, in this Case, must needs be issu'd; for clearing *whereof*, let me suppose, what I hope will not be refus'd.

In order to shew by what Means the Bank will be enabled to lend at a small Interest, it is suppos'd,

THAT after so much Money is dispers'd through the Nation, as is necessary for *Barter* in the ordinary Markets, for purchasing *Wares*, and the present Conveniencies of Life, all other Sums of Money (if we may judge from daily Experience) will be thought to be better lodg'd in Bank, not only for the greater Security against Thieves and Robbers, but also

That whatever Money is not required for present Use, is usually lodg'd in Bank.

because *Notes* are more portable, and being of Credit enough, are circulated as Money, and have all its Effects, when at the same Time they free us from Apprehensions of false Coin, and serve in the Dispatch of Business.

Thus *Notes* passing through many Hands, and it may be, for Years without any Call for the Contents in *Specie*, and which if call'd for by one Hand, may perhaps be just return'd for a new *Note*, by another; and the *Notes* being more frequently sought to be renew'd, or broke into smaller ones, than the Contents are demanded, it follows evidently, and is confirm'd by constant Experience, That a Sum in *Specie* will serve to circulate *Notes* to a much greater Value; and still as the *Specie* is encreas'd, it will circulate *Notes* in a greater Proportion: for suppose that *Two Millions* were able, in a certain Sphere (I mean a Kingdom or State) to circulate only *Ten Millions* in *Notes*, that is, *Five* times its Value, yet with the Addition of *One Million Specie* more, making up *Three Millions* of *Specie*, they would be able to circulate in the same Sphere, *Thirty Millions* in *Notes*, being ten times the Value; and *Four Millions* of *Specie* could, in all Probability, circulate *Notes* to twenty times the Value, and if more *Specie* is still suppos'd, then the Circulation would be yet to a greater Proportion: Why? Because, as is already observ'd, when a Nation is serv'd with

with so much *Spence*, dispers'd through it, as is sufficient for ordinary Uses, and the *Bank* is possessor of the rest, whence should any great Demands on it arise, but from a Diffidence of the Management, the Loss of the *Balance of Trade*, a *Civil War*, a *Foreign Invasion*, or the Apprehensions of these? The Difficulties arising thence I shall endeavour to remove.

THE Agreement of the *South Sea Company*, with the *Bank* and *East India Companies*, for the Ingraftments propos'd, seems to be wisely design'd, as a proper Measure to remove the Jealousies, which otherwise the *Bank* and *East India Companies*, might have entertain'd of the *South Sea Company*, and consequently to prevent the Obstructions that might have thereby arisen to that Company.

IN Consequence of this Agreement, 'tis probable, the *Bank* may in a great Measure be made the Repository of the *South Sea Company's* Cash, which will enable her to do greater things than before, yet in a Time of such Distress and Calamity as this, when the Cash is hoarded up by the voracious Usurer, only to be let out for exorbitant Returns, and probably no small Part of it, by the late *South Sea Directors*, it is not to be expected, that the *Bank* will venture to lend upon *Land*, unless she is enabled to do it safely; and this being the Interest of the Nation, and of every Individual,

That the Ingraftments propos'd are a proper Measure to remove the Jealousies of the Bank and East India Companies.

That in Consequence of them, the Bank will probably be made the Repository of the South-Sea Company's Cash.

'tis not doubted but our wise *Legislature* will give Encouragement suitable to so great an End.

And 'tis propos'd, That Ten Million of Paper-Money be struck and lent to the Bank without Interest, to be repaid and sunk in a certain Term of Years:

If therefore the *Legislature* were pleas'd to appoint some *Paper-Money*, to be stamp'd under proper Cheques, to the Amount, suppose, of *Ten Millions*, to be lent to the Bank of *England*, at a small Interest, or rather without Interest, (it being no Alienation of any publick Fund, nor of Detriment to any body, but for the Benefit of the whole Nation) to be repaid by the Bank in a certain Term of Years, suppose *twenty Years* by equal Proportions, that is, Half a Million yearly; or rather in *thirty three Years, four Months*, by paying 300,000*l.* yearly, and the yearly Payments, that is, the *Half Million*, or 300,000*l.* to be yearly sunk, by being cancell'd at the sight of such as the *Parliament* shall appoint, the *Paper-Money* would every Year decrease, and in *twenty Years, or thirty three Years, four Months*, the whole of it be at an end, and be realiz'd into *Specie*, or what will be of the same *Value*.

Which would effectually restore Credit.

This would be a Means *effectually* to restore Credit, and make the Nation flourish, by putting the Bank, in a short time, in a Condition to lend upon *unexceptionable* Securities.

The Paper-Money to be lawful in all Tenders, and receivable in the Revenues and Customs.

THESE *Ten Millions of Paper-Money* could not fail of an easy Circulation, being made lawful in all *Payments and Tenders*, and receivable with some *Encouragement* in Payment of the *Revenues*

Revenues and Taxes, and so 'tis hop'd, the Parliament would find little Difficulty to appoint this *Species* of Money.

IF the Bank should issue the whole Ten Millions in Loans, at 3 *per Cent.* Interest, upon *Land-Security*, where could the Inconveniency be? The Circulation is obvious; he who borrows, or is posselt of *this Money*, can sustain no Loss, for the Bank who lends, must accept of it, in Payment of the Sum lent, and in Payment of the Interest; and sure the Bank needs not grudge to receive it *so*, for 'tis plain that this *Paper-Money* could make no Call of *Specie* from the Bank, being Money itself; *only* People might sometimes for their Convenience, desire the greater Notes to be chang'd for smaller ones, which would readily be granted.

SUPPOSING the *Ten Millions* to be plac'd in the Bank without Interest, and that she is only to repay 'em by the Proportions of 300,000*l.* *per Annum*, she will be able in *thirtythree Years, four Months*, to repay the Principal by the *bare* Interest that she will have receiv'd for it; so that after the Principal of the *Ten Millions* of *Paper-Money* is repaid, and sunk by its Interest, the *Amount* of the whole principal Sum itself will remain to the Bank, either in *real Cash*, or in *Land-Securities*, and this substantial and gradual Increase of the Bank-Funds (where-

The Bank could safely issue the Money in Loans upon Land, as what would make no Calls on her for Specie, this being Money it self.

*And would thereby gain 300,000*l.* per Annum, supposing she Lent at 3 per Cent. Interest.*

by reckoning 3 *per Cent.* Interest for the *Ten Millions*, she must truly gain 300,000 *l* *per Annum*) will, without hurt to any, enable her from Year to Year, to encrease her Lendings, in ease to all the Subjects, and to the great Advantage of the *Land-Interest* of *Britain*.

The Bank by the Paper-Money, gaining Credit, and by reserving for a time some Part of the Interest of it, from the yearly Dividends, might soon come to lend very considerable Sums.

I THINK it may reasonably be suppos'd, that in a little time the Bank might, in place of *Ten Millions*, be able to lend with Safety, *Thirty, Forty, Fifty, yea an Hundred Millions*, or more, and at the same time be less in Danger of a Run upon her than now; for tho' it might not be thought fit for the Bank to lend more than the *Ten Millions* at the Beginning, if she even went so far, yet when the *Paper-Money* gain'd Credit, and that some Part of the Interest of it, were for a time reserv'd from the yearly Dividends, and added to the Bank Funds, either in *real Specie*, or good *Securities*, she would on these, venture to lend more; and so annually, as her Funds encrease, her Lendings might encrease farther beyond the Proportion that could be lent on a smaller Sum, as has been already observ'd; and how much might this tend to the Glory of *Britain*, the enriching of the Subject, the encrease of Trade, and the Establishment of her Credit at home and abroad?

The Establishing of Records being a Work of Time,

'Tis obvious to every one, that to establish Records, and to enter such Deeds and Writings, as may be found needful to be recorded, must be

be a Work of some Time, a longer Time than the Nation can well be without Relief; but if it is a proper Measure for establishing *Credit* on a sure Foundation, the very Tendency towards it will be a great Ease to the Minds of many, so that no Time should be lost from forwarding so good a Design, and in the *Interim*, by the help of this *Paper-Money* (which can be very soon struck) the Bank may proceed to lend to the *Proprietors* of the *Three Companies*, upon their *Stocks*, the *Loans* being always within the Value of the *Pledge*, yea perhaps not exceeding the *Half*, or *two Thirds* of its Value, which will in a great Measure restore *Credit*, and revive the sinking Spirits of the People.

The *Funds* upon which the Bank would lend being *clear*, and unquestionably good, the *Rules of lending* being made *plain* and *simple*, the *Loans* in any Event being within the intrinsic Value of the *Fund*, and Men of *Probity*, *Judgment*, and *Substance*, in the *Direction*, there's nothing to be fear'd from the *Management*, especially after the just Example that the Nation expects will be made of the *late South-Sea Directors*; nor need we apprehend any Drain from the Loss of the Balance of Trade, which must surely, in such a Case, turn in our Favours; and who in a Civil War, or foreign Invasion, would reckon his Money, or Moveables, near so safe as Securities of *Land*? which

Loans might be made in the Interim to the Proprietors of the three Companies on their Stocks.

The Balance of Trade would turn on our Side, and the Bank Notes being issued on Land Securities, would be safer than other Moveables, in case of an Invasion or Civil War.

can neither be lost, nor overturn'd, but upon such a dreadful Event, as a free People could not desire to survive.

The Paper-Money issu'd upon the Funds propos'd would soon gain Credit, and become as acceptable as Specie.

I TAKE it for granted, that the Paper-Money issu'd as is propos'd, and which the Bank would be oblig'd to take in, and sink, in such a Term of Years, must (as is hereafter set forth) become very soon as acceptable as Specie; so that in Virtue of it, the Bank might lend Sums to a very considerable Extent.

And every one who is Master of the Funds of Credit mention'd, will incline to borrow at the low Interest, as much as may discharge his former Debts, and as he can employ in Trade, Improvements of Land, &c.

It is not to be doubted, but every one who is Master of the Funds of Credit mention'd, I mean of Lands, or Stocks, in the Three Companies, will incline to borrow of the Bank at 3 per Cent. Interest, as much as he finds necessary for paying his former Debts, and as he can well employ in Trade, Improvements of Land, or the like; and so little Doubt is to be made, but upon these Encouragements there will be Borrowers enow, only it would be consider'd, to what Extent the Bank might conveniently lend.

Now in this she'll not be straiten'd, if by the Means after mention'd, she is well provided of Cash, and secur'd against the Hazard of any Run upon her.

The Bank might lend Thirty Millions to the Proprietors of the Three Companies on their Stocks,

I SHALL therefore suppose, that she lends to the Proprietors of the Three Companies, Thirty Millions, and if she gets as much, I mean Thirty Millions of those Companies Stocks,

Stocks, pledg'd in Security of *that Loan*, the lends within half the Value of the Pledge, as will presently appear.

As to Land, tho' some may borrow upon it perhaps to the Amount of *Twenty Years Purchase of their Estates*, which will not be above two Thirds of the Value, as they are by *this Method improv'd*, yet I shall only suppose, that the Loans upon Land, one with another, are made to the Value of *Four Years Purchase of the Whole*, amounting to *Eighty Millions*.

And Eighty Millions on the Land-Interest.

Thus the Loans may be computed to amount to *one hundred and ten Millions*, a great Sum indeed to be circulated *mostly* in Notes, but not what ought to surprize us, after what we have lately seen of *Paper-Credit* passing as Money, which some think was even to a greater Amount, tho' in a much narrower Compass, in and about *London only*; where not only the Bankers Notes were current to a vast Extent, but also the Notes of every Person of reputed Substance, and *these* upon no very solid Foundation; whereas the Bank Notes in *this State* will be current all over the Kingdom, and just as secure at Bottom, as the best Titles can make 'em.

So the Loans may be reckoned to 110 Millions.

I CAN'T suppose that Loans to this Amount can be made immediately, or all at once, but by Degrees, tho' sooner perhaps than one would expect. In how short a time were more

As in some Measure may be infer'd from the Loans of the South-Sea Compa-

than

my on Stock
and Subscrip-
tions,

When there
were no such
Inducements
to borrow,
nor such ex-
tensive
Funds to bor-
row upon, as
those pro-
pos'd.

than *Eleven Millions* borrow'd of the *South Sea Company*, where the Borrowers could nei-
ther be so numerous, nor had Funds to borrow
on, so extensive, as one tenth Part of *those*
propos'd, and where still more would have
been borrow'd, if there had been Access to it,
and *that* even when there were no such Induce-
ments to borrow, the Loans *there*, being at
4 or 5 per Cent. Interest? And so I hope I may
be allow'd to make the Computation, as if the
Loans were compleated to the Extent mention'd,
and *then* the Profits of the Bank will stand thus.

THE yearly Interest of
110,000,000 at 3 per Cent. } 3,300,000
extends to

If a half per Cent. more
of Interest is exacted for the
first Year of every Loan, and
that the Loans are suppos'd to
be renew'd once in ten Years,
or, which is the same thing,
shall, at the End of every ten
Years, pay a half per Cent.
again, for the ensuing Year,
and so every tenth Year (which
will be no Hardship on the
Borrower) it will bring to
the Company yearly, as can
be demonstrated, more than

60,000

3,360,000

THE

Brought over 1,335,000

The Dividend of 8 per Cent. on the 5,559,995, being the former Capital of the Bank, is

The Annuity of 5 per Cent. payable on the Nine Millions South-Sea Stock ingrafted into the Bank, is

THE yearly Amount of the Bank Profits - - - - -

Inde, EVERY 100*l*. of the original and ingrafted Bank Stock will draw of Dividend yearly

And thence the yearly Profits of Bank Stock will arise to 32*l*. 11*s*. 6*d*. per Cent.

It may, upon good Grounds, be suppos'd, that the Bank thus enabled, would, from the Interest of her Loans, and the Funds she has already, be very soon capable of making the before-mention'd Dividends annually, on a lasting Foundation, which would in a great Measure relieve the Sufferers of the South-Sea Company; as may appear thus: Every 100*l*. Original South-Sea Stock, has ten added for the last Midsummer's Dividend, making 110, and then receives an Addition of 45 per Cent. from the encreas'd Capital, making 49*l*. 20*s*. upon the 110, which added together, make 59*l*. 20*s*. Now supposing the encreas'd South-Sea Capital Stock to be 38,000,000, whereof Twenty Mil-

Loans are to be reserv'd to the *South-Sea* Company, and the remaining *Eighteen Millions* to be ingrafted into the *Bank* and *East-India* Stocks; then for 159*l.* 10*s.* of the encreased *South-Sea* Stock; arising to every Proprietor of 100*l.* Original *South-Sea* Stock; he will be entitul'd to 83*l.* 18*s.* 4*d.* of the *South-Sea* Company's encreas'd Capital Stock; 31*l.* 9*s.* 7*d.* *Bank*, and 31*l.* 9*s.* 7*d.* *East-India* Stocks, whereof the Values may be computed thus :

83*l.* 18*s.* 4*d.* *South-Sea* Stock, at a }
Dividend, suppose of 8 per Cent. is } 6*l.* 14*s.* 3*d.*

31*l.* 9*s.* 7*d.* *Bank*, at a Dividend }
of 3*l.* 11*s.* 6*d.* per Cent. is - - - } 10*l.* 05*s.* 1*d.*

31*l.* 9*s.* 7*d.* *East-India*, at a Divi- }
dend of 7 per Cent. is - - - } 02*l.* 04*s.* 0*d.*²/₃

And the year-ly Profits up-
on every 100*l.* Original
South-Sea
Stock to
19*l.* 3*s.* 4*d.*²/₃

Inde, THE annual Dividend
arising upon 100*l.* Original *South-Sea* Stock, with the *Midsummer*
Dividend, is - - - 19*l.* 03*s.* 4*d.*²/₃

I HAVE now suppos'd the Dividend on *South-Sea* Stock, such as I believe those who diminish it most, will allow, if the Loans on Stock and Subscriptions are made good, and hope I have made a modest Computation of the Dividends

on the *Bank* and *East-India* Stocks, and yet from a Dividend of 19 l. 3 s. 4 d. $\frac{3}{4}$ per Cent. upon Original *South-Sea* Stock, which may be expected, and more, if the Measures propos'd are pursu'd, each 100 l. Original *South-Sea* Stock, with the *Midsummer's* Dividend, will be worth 500 l. at least, which will serve to make good the Loans on Stock and Subscriptions, to free the *South-Sea* Company of the Losses, that otherways must be sustain'd by the Purchase of Stock, that the Directors made for the Company at high Prices. In a Word, 'twill be of univrsal Relief (a few Cases excepted) and will reduce the Differences upon Contracts for Stock, to such a narrow Compass, as will pave the Way for compounding those Bargains easily, whereby the Clouds now hanging over the Minds of many will be dispell'd.

Which as it makes every 100 l. Original South-Sea Stock, with the Midsummer's Dividend, to be worth 500 l. will be of an almost universal Relief.

THIS indeed ought not to prevent the Application of what shall be discover'd of the late *Directors Estates*, to the Benefit of the Company; for if the Rise of the Value of this Company's Stock shall be owing to future Privileges and Advantages, that *Set of Men*, who under Trust robb'd the Company of what she had before, and what their Estates will never be able to compensat, ought by no means to reap the Benefit of it.

But ought not to hinder the late Directors Estates to be given to the Company.

SHOULD the *Bank* Loans encrease beyond what I have suppos'd 'em, the Dividends would rise in Proportion; and the more the *Bank* Loans

The encreasing of the Bank Loans would be for the Benefit of the Nation.

Loans encrease, the better will it be for the Nation, for surely more will not be ask'd in *Loan*, than there is Use for; Unless the Borrower can make more of the *Loan* than 3 per Cent. Interest, he will cease to borrow; and if he makes more, it must be, that the Sum borrow'd, through whatever Hands it passes, comes at last to be employ'd in *Trade*, or *Improvement of Land*, which bring a greater Return for it, than the 3 per Cent. Interest, and that for the Benefit of the Nation.

I HAD some Thoughts of proposing, that in order to raise the Dividends still higher, the *Bank Loans* should bear Interest after the rate of 4 per Cent. but on second Thoughts, was apprehensive, that in that Case, the Inducements to register Estates, would not be so universally prevalent.

As the *Bank Loans* are propos'd to be made only upon *Land*, and the *Stocks* of the three Companies: *Widows, Orphans, and money'd People* will have Opportunities enow to lend at the legal Interest of 5 per Cent. and therefore will have no Cause of Complaint: but on the contrary, any Apprehensions of lowering the Interest that they may possibly entertain at present, will be remov'd, seeing the landed Gentlemen need not apply to the Parliament for a Reduction.

I HAVE

I HAVE heard it said, that the *South-Sea* Stock can never draw such a Price as I have mention'd, because there is not so much Money any where as could purchase it: I own, indeed, if it was to be suppos'd that it came *all* to Market together to be sold for Ready-Money, no Quantity of Money could be found for it, and the Price behov'd to fall: But there was never yet a Demand for so much *Specie* at one Time, nor can any Event be imagin'd in which there should. The same may be said of the *Land-Interest* in *Britain*; for if it came all to be sold together, there would much less be found Purchasers for it; and yet the Price of Land is frequently above, but seldom falls under the true Value. Why? Both because of the Certainty of the yearly Rents of it, and that no such Quantity of Ready-Money is wanted at one Time. So whenever the Dividends of this Stock appear on a *solid Bottom*, as is propos'd, a Share in this Stock will be reckon'd just as sure as Land *it self*, and will in a great Measure become as certain in its Price.

LET it not be imagin'd that, with Respect to the *Bank*, I am any way extravagant, in supposing so high a Dividend, I hope I have done it on reasonable Grounds, and have an Instance at Hand of the Effect of a *Bank* under the same Management that is here propos'd; I mean the *Bank of Scotland*, which upon every Cent. paid

Objection,
That the
South-Sea
Stock would
not bring the
Price men-
tion'd.

Answer'd.

The Bank of
Scotland,
under the like
Manage-

ment, divided
30 per Cent.
of free Pro-
fits for a Tract
of Years.

into the Company's Stock, by the Proprietors, did for a Tract of Years before the late Rebellion, divide 30 per Cent. of Profits, and (the Year of the Rebellion, and the ensuing one excepted, when the Dividend was but 12, by Reason of a Loss she sustain'd by the Reduction of Gold) has divided 20 per Cent. ever since, being managed with great Candour and Discretion, tho' her Directors, far from grasping at great Gains, have manag'd with such Caution and Exactness, as rather seems to border on Scrupulosity.

WHEN that Bank was brought to bear, and went any Lengths in lending upon Land, (as she did before the Rebellion) her Dividends were after the Rate of 30 per Cent. *per Annum* of Free Profits, as has been said, but from that time being sensible of the Drains of Money from thence to England, she has not ventured to launch out quite so far in Loans, which is the Reason of the Decrease of her Dividends, a Reason that can't be suppos'd to take Place with Respect to the Bank of England. So that all Things consider'd, I think Dividends of 32 *l.* 11 *s.* 6 *d.* per Cent. may be reasonably expected of the Bank of England, and am sure I should not be far out, if I reckon'd upon more; when we consider the Dividends of the Bank of Scotland, which was never in Circumstances

Tho' not in
Circumstan-
ces to be com-

pared with the Bank of England, which upon every Con- sideration is not

not had a Scene open'd for extending its Views in any Proportion to the *Bank of England*.

As from the Ingraftments propos'd, the *South-Sea Company* becomes interested to support the *Bank* and *East-India Companies*, it seems to be necessary for the common Benefit, that the *East-India Company* be also engag'd to support the *Bank*, which will spread its benign Influences, not only over all the Companies, but over the whole Nation; and as the strongest Engagement is from Interest, it is therefore propos'd, that there be an Exchange, or *Excambion* betwixt the *Bank* and *East-India Companies* of a Part, suppose One Million of their respective Stocks.

paid with
the Bank of
England.

An Ex-
change, or
Excambion
ought to be
betwixt the
Bank and
East-India
Companies
of a part,
suppose of one
Million of
their Stocks;

THIS would raise the annual Dividends on the *East-India Company's Stock* considerably; and as it would be, without any great Diminution of the *Bank Dividends*, which according to what is propos'd would still be very valuable; so the *Bank* would be abundantly recompens'd for such Diminution, by having so powerful a Company, as the *East-India* one is, yet more heartily in her Interest.

Which would
raise the East
India Com-
pany's Divi-
dends with-
out any great
Diminution
of those of the
Bank.

If the Debt due from the *South-Sea Company* to the Publick was remitted in whole, or in part, it would be an Act of Clemency, which might be expected for so general a Relief; or if what of it shall happen to be exacted, was cast upon the *South-Sea* and *Bank Companies* in

Propos'd,
That the
Debt due by
the South-
Sea Compa-
ny, be remit-
ted in whole,
or in part,
or if any part
of it is exact-

*ed, that the
Bank bear a
Proportion.*

in Proportion to their Dividends, it would still be an Ease to the *South-Sea* Company; and sure the *Bank*, for the Advantages propos'd, could not grudge to bear a Proportion of *that* Debt, if any of it is exacted.

*That the Fees
of the Re-
cords be given
to the South-
Sea Compa-
ny.*

THO' the Fees of the *Registers* would not be grudged by any, yet the *Legislature* might regulate them so, that they should be burdensome to none; and should the Fees, however easy they are made, be given as an Emolument to the *South-Sea* Company, (the necessary Charges deducted) they would be of some Advantage to the Company, the Nomination of the proper Officers of the *Records* being still left to the Crown.

*That those
who borrow
of the Bank,
be allow'd to
pay in parts,
not under
100 l. at one
Payment.*

THOSE who borrow of the *Bank*, may be allow'd to pay the Sum borrow'd by *Parts*, which will be no small Encouragement to the Borrower, no Payments to be less than 100 l. at one Time.

*That the pre-
sent Tax-
Roll, or Valu-
ation of Land
be continued
till the whole
Land-Inter-
est is regi-
ster'd.*

THO' many, or even most of the Estates in *Britain* were register'd with their Rentals, yet so long as any were unregister'd, it would be but just to continue the present *Tax-Rolls* or *Valuation*, as the Rule of the Taxes, as well for those that are register'd, as for those that are not register'd, seeing no just *Medium* could be found for proportioning the Taxes *otherways*, unless the Rentals or Particulars of all the *Land-Inter-*

rest

rest were known. Thus he who registers his *Estate*, shall be at no Loss in this Article.

SHOULD all the *Land-Interest* happen to be register'd, then in Place of taxing it after the Rate of *Three or Four Shillings*, or by any other Proportion of the *Pound*, the Tax upon the *whole* might be limited to such a certain Sum as would answer the Exigencies of the Government (suppose *One Million and a Half* were granted, instead of *Three Shillings* of the *Pound*, or *Two Millions* instead of *Four Shillings* of the *Pound*) and that cast upon the *Land-Interest* proportionably, it would be the same thing to the Government, and no heavier to the Proprietors than it is now.

And thereafter in place of levying 3 or 4 s. or any other Proportion of the Pound, a certain Sum, answering the Exigencies of the Government, be levy'd on the whole.

THAT the Securities to be given to the *Bank* for *Loans*, may be put beyond all imaginable Exception, I humbly suggest, that tho' for establishing Titles of Land among private Persons, certain Forms of Law are necessarily devis'd and appointed, as proper Cheques to prevent Fraud, the omitting or mistaking any of which, may afford Grounds of Dispute, and Competition among Parties; yet in the Case of *Bank Loans*, where nothing but fair Dealing is to be presum'd on the Part of a *Company*, whose Interest must entirely depend on Reputation, it may be thought reasonable, that it be enacted, That where the Deed, Bond, or Security to be granted to the *Bank*, does express the

And, that it be enacted, that where the Bond

*granted to
the Bank, ex-
presseth the
Sum lent, and
is sign'd,
seal'd, and
deliver'd be-
fore Wit-
nesses, and an
Entry of it is
fairly made
in the Bank-
Books, and
the Insest-
ment on it
register'd, it
shall be good
in Law, tho'
deficient in
other Points
of Form.*

Sum borrow'd, and is sign'd, seal'd, and deli-
ver'd before subscribing Witnesses, and an En-
try of it is fairly made in the *Bank-Books*; and
that the Infeofment, or Seisin upon it, is duly
recorded in the *Registers* to be appointed, that
such Deed or Title shall take Place in *Law*,
from the Date of its being register'd, notwith-
standing it may be deficient in other Points of
Form. This is propos'd, with great Submis-
sion, for the Advantage of the Nation, as what
would tend to ascertain the *Bank-Securities*, and
to gain them an universal Confidence, which
would effectually prevent any Run upon the
Bank: And farther, (that no Event imaginable,
how remote soever, may be left unprovided for)
it would also be of this Use, that if at any Time
the *Bank* should stand in need of Money, sooner
than she could well raise it by a Call on her
Debitors; those *Bank-Securities* being thus un-
questionably good, would command the Money;
for 'tis to be suppos'd, that every Person, who
has Money, and wants to lend it on good Se-
curity, will be fond of taking a Conveyance or
Assignment to some of the *Bank-Securities*, and
will advance the Money upon 'em with Plea-
sure.

Objection,
*That Paper-
Money will
not be accep-
table in Bri-
tain.*

METHINKS I hear a Scruple mov'd, as if
Paper-Money would not be acceptable in *Bri-
tain*, and this perhaps urg'd by some, not so
much as a Difficulty of weight with themselves,

as, that in considering the *Scheme*, they find it necessary to consult popular Notions, which are generally form'd more upon Shadows and Appearances, than the true Nature of Things: To remove this Scruple, I need only refer to what that ingenious Gentleman, Sir *Humphrey* *M-worth* has with solid Reasoning advanc'd, to shew how this *Paper-Money* is practicable, and for the Interest of *Britain*, to whom (tho' I have not the Honour of his Acquaintance) I must own myself beholden for any Notions I have of this kind of *Specie*; and so, that I may'n't swell this Essay beyond just Bounds, I shall content myself *here* with observing, that the wiser Sort of Men will find no Difficulty to receive this *Money*, they will be satisfied with the Bank Security, to be given for taking in, and sinking such a Proportion of *it* yearly, 'till the *whole* is taken in, and sunk, and mean time, that it can't miss of being readily circulated, as has been already shewn; and the rather, that it must be the Interest of the Three Great Companies of the Nation, and of every one concern'd in them, yea of every Subject of *Britain*, to receive *it* favourably, as the only Mean that seems to be left to revive the *sunk Credit*; and if it once take with the *Great* and the *Wise*, the very rudest of the *Populace*, if they are not capable of being persuaded by *Reason*, will yet be led by *Example*.

Objection,
That the
Bank it self
might come
suffer from
the least ten-
dency to au-
thorize Pa-
per-Money.

PERHAPS some may move it as a Difficulty, that the Bank itself might suffer from the least Tendency to authorize this *Paper-Money*, upon no other Head, but that the unthinking Vulgar, upon the least Motion that *Way*, might, from a groundless Prejudice against it, make a Run upon the Bank, from the Apprehensions, that if this *Paper-Money* was authoriz'd, it might come to be paid them in exchange for Bank Notes: But with how little Reason any one can disparage this *Paper-Money*, is plain enough from what is observ'd before, every thinking Man will value it just as much as if it was Silver or Gold; yet if it should be thought necessary in this, as in many other Cases it is, to condescend, and give way in some Measure to vulgar Notions, then the Difficulty would be remov'd, if it were enacted, that no Body should be oblig'd to take this Money from the Bank, in Exchange of Bank Notes. This would not in the least take off the Intent, or Effect of the *Paper-Money*; for as it is only to be issu'd by the Bank in *Loans*, it could be return'd to the Bank in Payment of those Loans, Principal and Interest, and needs not be apply'd by the Bank to answer Bank Notes; but still as it should happen to be thus return'd to the Bank, it might be again issu'd in *Loans*, and so soon as its Currency and Usefulness appear'd, it would, without any Force,

Answer'd.

be

be taken in Exchange for *Bank Notes*: And if the Revenues and Taxes were made receivable in this Money, with a small Encouragement to such as pay in it, was it but *one Half per Cent.* it would soon render this Money most acceptable, and make it be desir'd in Exchange for *Bank Notes*.

If the Revenues and Taxes were made receivable in this Money with a small Encouragement, was it but a half per Cent. to those who pay in it, this would soon make it acceptable.

THAT the Government may be at no Loss by allowing a *Half per Cent. Premium*, to such as pay the Revenues and Taxes in *Paper-Money* the Bank might make good that *Premium* to the Government, at the End of every Year; and tho' *Five Millions* of this Money were suppos'd to be paid in these yearly, a *Half per Cent.* even of that Summ, which is the highest that can be reckon'd, is but 25000*l.* this being a very small Matter out of the *Bank Profits*, and only to be allow'd at the Beginning, to facilitate the Circulation, (which how soon soever obtain'd, or that the *Paper-Money* decreas'd, as it would every Year, the *Premium* would be taken off;) 'tis not worth while to notice it as a Deduction from the *Bank Dividends*.

The Bank might make good to the Government that Premium or Encouragement allow'd to those who pay the Revenues and Taxes in Paper-Money.

THE Bank might also be oblig'd to furnish *Specie* to the Government, in Exchange for this *Paper-Money*, to the Amount of *One Million*, should there be need for it, on any extraordinary Emergency where *Paper-Money* would not serve. This 'tis thought would answer any Demand abroad, at one time,

And might on any Emergency, when it may be needful furnish the Government with One Million Specie in Exchange for Paper-Money.

and the *Paper* would serve at home; thus the *Government* could not be taken at a Disadvantage.

If Ten Millions were thought to be too great a quantity of Paper-Money, a trial might be made with a lesser quantity suppose Five Millions.

IF *Ten Millions* were thought to be too great a Quantity of such Money, a Trial might be made with a lesser Quantity, suppose *Five Millions*, or the Bank, tho' *Ten Millions*, was lodg'd with her, needed not issue it out all at once, but by little and little, as she should find the Circumstances of the Nation require; tho' indeed *Ten Millions* seem to be little enough, to do what will be needful for restoring *Credit*, with the necessary Expedition.

Paper-Money was lately to a greater Extent.

'Tis not long since *Paper-Credit* was to a far greater Extent, many Millions of it have been sunk within these five or six Months, I mean, of Bankers Notes, and of the Bonds of the *South-Sea* and *East-India* Companies, which were current as ready Money, and are now either quite sunk, or suffer such an uncertain Discount, that they no more supply the Place of Money. If so many Notes of *Credit* which were lately circulated as Money, are now *no more*, where should the Difficulty be, to supply their Place by a much less Quantity? I mean, *Ten Millions* of *Paper-Money*, when the Demands for Money are as great as ever, and this *Paper* has a real intrinsic Value, an absolute Security that it shall be good *Specie* at Bottom, and that in the mean time, sufficient Provision is made for its Circulation.

ON Some think that nothing can pass for Money, but what may be instantly converted into real *Specie*: But this is to confound the Notion of *Paper-Credit*, with that of *Paper-Money*, which Sir *Humphrey Meworth* has very judiciously distinguish'd. Notes of Credit being but Demands upon Money, are only valuable, according as they can command it, and upon the least Suspicion that they may come short of it, must fall into Contempt; but the *Paper-Money* propos'd, is no Demand upon Money, but answering all the ends of Money, as being Money itself, can never be depreciated, especially when establish'd on so sure a Foundation, as to have the Bank Security, for a sinking Fund, and so large a Field open'd for its Circulation, but will be just as acceptable as real *Specie*, and one could not fail, upon any Occasion, even to command *Specie* in Exchange for it, without any Discount.

IT may perhaps be said, that *Credit* cannot be forc'd; if it is meant, that where there is no intrinsic Value in a Thing, no Law can give it a Value, or force it upon People as of Value; that I readily grant; but seeing 'tis evident to the common Sense of Mankind, that this *Paper-Money* is of an adequate Value, that is, has a sufficient Security for making it good at Bottom, and that in the Interim Provision is made for its Circulation, such as ought to make

Objection,
That nothing
can pass for
Money, but
what can be
instantly con-
verted into
real *Specie*.

Answer'd.

Objection,
That *Credit*
cannot be
forc'd.

Answer'd.

make it acceptable of Consent; if there was no Law for it, the making of a Law in its Favour, cannot be said to be a forcing of Credit. This Paper-Money would not owe its Value to the Law, but because of the Value of the Paper; the Law would be interpos'd, only to prevent the Usurer's taking unjust Advantages of his Neighbour's Necessity, by forcing a Discount, where there ought to be none; so that truly such a Law, would rather be a Law against Usury, than any thing else.

That Navy-Bills, Army-Debentures, the Bonds of South-Sea and East-India Companies suffer a Discount, because not being lawful Money in Tenders, they come to be sold to money'd Men and Usurers.

WHAT is it that occasions a Discount upon the Navy Bills, Army Debentures, the Bonds of the South-Sea, and East-India Companies, tho' no Body can doubt their Securities; but that not being lawful Money in Tenders, they come to be sold to money'd Men, and Usurers, who make the Discount higher or lower, not according to the Value of the Thing, but as they find the Necessities of the Seller, and as they themselves are more or less united in their Concert; not that I mean there needs any formal, or general Concert for this, but that when any of the Usurers find a few Sellers, under a Necessity to sell, they stand off, and refuse to buy, unless the Seller gives such a Discount, as they apprehend his Circumstances will oblige him to; and the necessitous Seller being forc'd to sell at a Disadvantage, other Usurers take the Hint, and as it were by Concert, insist on

on the same Terms, if not worse. Where then can be the Hardship of a Law restraining such usurious Advantages in Things where the Value is so certain, - as it must needs be, in the *Paper-Money* propos'd?

SOME may imagine, that tho' the Sanction of a Law might prevent any formal Stipulation of a Discount on this *Paper-Money*, yet that could not hinder it to be discounted in effect; for such a Distinction (*say they*) will be made 'twixt *Paper-Money*, and *Specie*, that the Price of every Thing will be dearer to him who pays in *Paper-Money*, than to those who pay in *Specie*.

Objection,
That there
would be a
Distinction
made 'twixt
Paper-Mo-
ney and Spe-
cie, in the
Prices of
Things
bought and
sold.

I AM perswaded, that after what has been said, the Distinction can only be made out of mere *Caprice*, or by such, as saving themselves the Trouble of examining, entertain mistaken Notions of this *Paper-Money*; but seeing Man-kind is not always conducted by Reason, and that the just Notions of a few may be over-power'd, and their good Designs obstructed by the Errors and Prejudices of the Multitude, it will be necessary to shew that this Distinction, made without any Reason, can't be of such Continuance as to frustrate the Ends here propos'd. Let me then suppose, that some Merchants, who owe little or no Debt, and have few Duties to pay, should, from mistaken Notions, or out of mere *Caprice*, be so foolish as to make that

Answer'd.
The Distinction
made 'twixt
Paper-Money
and Specie
is not of such
Continuance
as to frustrate
the Ends here
propos'd.

Distinction 'twixt *Paper-Money* and *Specie*; yet 'tis certain, that others, who are wiser, or may have Debts, or Duties to pay, would find it the same thing to sell for *Paper-Money*, as for *Specie*; and 'tis probable would prefer the *Paper-Money*, by Reason of the *Premium* of a *half per Cent.* allow'd to such as pay the Duties in it. Now a few Examples of this Kind would very soon prevail over the Prejudices of those who made the Distinction, and would oblige them to rectify their Notions, lest they should repent of 'em too late, when their Markets for Sale were lost, and their Trade ingross'd by others.

Though the Bank has not been in use to lend upon Land, she may do it, when by Records the Securities are made unexceptionable.

PERHAPS it may be suggested, that the *Bank of England*, having never been accusom'd to lend upon Land, will hardly be brought to do it; she had no Reason indeed to do it *hitherto*, because without *Records*, it could not be done with Safety; But what should hinder her, when the Titles are made unexceptionable, and that she has before her the profitable Experiment made by the *Bank of North-Britain*, which was far from being ever in such an advantageous Situation as the *Bank of England*?

Objection, That the Bank-Loans cannot be to the Extent mention'd, because to circulate any quantity of

SOME may think, that I have reckon'd the *Bank Dividends* too high, because those who have had Occasion to make Observations upon the Nature of *Banking*, do Remark, and will needs have it to be a Rule in *Banking*, that to

cir-

circulate any quantity of Notes, will require a ^{Notes, will require a} Sum, to the Amount of a *fifth Part* at least, of ^{Sum in Specie to the amount at least of one fifth of the} the Extent of the Notes circulated; tho' this Remark may be very justly taken from what they have had Occasion to observe of the *Bank* or Bankers of *England*, or *elsewhere* on the present footing; yet I hope I shall not offend them, if I offer Reasons why it ought not to be admitted as a Rule, when the Measures of Banking are alter'd, by the Encrease of the *Bank Cash*, (as is here propos'd) to a greater Extent than we may reasonably suppose there can be a Demand for, and when the *Bank-Loans* must be upon unexceptionable Securities.

Answer'd.

By offering the Reasons why this ought not to continue as a Rule in Banking, when the Bank Cash is encreas-

To illustrate this, let me suppose, that in *Britain* there may be *Ten Millions Specie*, of which a considerable Part is circulated through the Kingdom, *partly* in the Markets, and *partly* in Sums of Money, among such as are not near the *Bank*, and consequently have not the Conveniency of it, and perhaps is *partly* in the Hands of others, who desire to keep their own Cash. Now supposing this Part so circulated through the Kingdom, should by Accidents, or from Emergencies not extraordinary, be sometimes greater, and sometimes lesser, running from *Five Millions* to *Seven Millions*; so that *Six Millions* might be taken as a *Medium*, for the Amount of the Summ thus circulated in *Specie*, and that the remaining *Four Millions* are

greater amount than we may reasonably suppose there can be a Demand for.

are

are lodg'd in the *Bank*, or in the Hands of Bankers : It is obvious enough, that *One Million* of the *Four* may, from ordinary Accidents, or Emergencies, come to be demanded for Circulation, leaving only *Three Millions Specie* to the *Bank* and Bankers, and this not equally divided among them in Proportion to their Notes issued, some having issued Notes farther beyond a due Proportion to their Cash than others : And if we shall farther suppose, that any extraordinary Emergency happens, such as a sensible Decay of Trade on our Side, turning the Balance against us, the Charges of a foreign War, or whatever may occasion a more than ordinary Expence abroad, and that by these a *Million* more comes to be demanded, I think I may reasonably conclude, that if any of the Bankers should happen to fail by the Demand of this last mention'd *One Million*, whether by reason that the Calls for Money are stronger upon them than upon other Bankers, either by Accident, or as being of a less establish'd Reputation, or that having issued Notes farther beyond the Proportion of their Cash than others, their Cash comes in Proportion to be sooner exhausted ; the Consequence must be this, that tho' the necessary Demand was only for *One Million of Three*, yet by the failing of one, or more Bankers, such a *Panick* will be struck, as must needs occasion a

Run

Run upon all, insomuch that the whole Three Millions could not answer it.

WHEREAS, if we could have suppos'd, that all the *Bankers* had been of intire Credit, and the Cash distributed among them in an equal Proportion to their Notes issued, and that the Demands upon them had been also in a just Proportion; 'tis evident that the *Two Millions* remaining, after the *One Million* necessarily call'd for, was answer'd, would have been able to have supported them all; for in this Case none could have fail'd by the Demand of the *One Million* necessarily call'd for; and so there being no Occasion given of Distrust, no more *Specie* than was necessary would have been demanded.

BUT as in the present State of *Banking* this last mention'd Supposition cannot be reasonably made, it must be very difficult, if not impossible, to fix for the *Banker* a just Rule whereon he may with any tolerable certainty rely, for proportioning his Notes to his Cash.

WHATEVER then in the Opinion of the most accurate Observer, may have been hitherto reckon'd the best Proportion to be kept, 'twixt the Cash and the Notes issu'd, will be reckon'd so no more, if (besides the *Paper-Money* mention'd) Means are propos'd for bringing into the *Bank of England*, not only the *Specie* that is dispers'd among many *Bankers*, but also a considerable part of what is now in Circulation;

Especially if, besides the Paper-Money, Means are propos'd to bring into the Bank of England the Specie that is dispers'd among many Bankers, and a considerable part of what is now in Circulation;

When at the same time she shall be guarded against all Occasions of distrust, which alone is the cause that at any time more Money is demanded than there's use for.

which will be more than enough to answer any Demands that we may reasonably suppose can be made upon her, when at the same time she will be sufficiently guarded against all Occasions of Distrust, which alone is the Cause that at any time more *Specie* is demanded than there is occasion for.

THENCE it will follow that Notes may be issued to a far greater Extent, and that Credit will be less liable to the surprizing Damps she frequently meets with, upon the failing of private Bankers.

For this End it is necessary that Bank Notes be struck for even Sums, some for greater, and some for lesser, well distinguished in the Cheques and Characters.

To effectuate this, as the Bank's Credit is unexceptionable, it will only be needful to make it as much more convenient, as it is more safe, for Men to lodge their Cash here than elsewhere: For this End her Notes may be struck for even Summs, some for greater and some for lesser, in different Characters, and under different Checques; That those for greater Summs may be more than one Way distinguish'd from those of lesser Summs, and order'd so as not to be easily Counterfeited; whereby they'll become more current than ever, and will very soon be so well known, as to be easily circulated to the remotest Corners of the Kingdom, and must be preferr'd to the Notes of any private Banker. Thus not only shall the Cash now in the Hands of private Bankers be in a very short time lodg'd in the Bank, but likewise if small Bank-Notes, suppose Notes for

Five

Five Pounds Sterl. and Notes for *Twenty Shillings* a-piece were issu'd, they would pass in all Markets, and consequently draw into the Bank a great part of the Money now necessary in Circulation; so that where *Five* or *Six Millions* are now diffus'd, in Circulation, thro' the Kingdom, perhaps in that Case *Three* or *Four Millions* of *Specie*, with the help of those small Notes, might suffice. What a considerable Addition would this make to the Bank Cash? Besides, it would extremely lessen the Calls upon her for Money.

In Branches of the Bank were settled in the trading Places of the Nation, such as *York*, *Bristol*, *Exeter*, &c. where some small Quantities of Bank Notes might be lodg'd, and a mutual Intercourse of Exchange was held, between the Bank and her several Branches, and among the Branches themselves; so that Bills for a small Exchange could be had on a short Sight, and People might be serv'd either with Bank Notes or Bills, it would still draw more Cash into the Bank, and lessen the Demands upon her; when at the same time the Exchange that would be got would answer the Charges of these Branches, and if the Managers of the Branches were impower'd to lend a little (not upon Land, for that were perhaps better left to the Bank at London) but to good and responsible Persons, in the respective Places, upon Bills

And that small Bank Notes be also struck, suppose Notes for 5 l. and Notes for 20 s. each.

Propos'd, That Branches of the Bank be settled in the trading Places of the Kingdom, and that an Intercourse of Exchange be held betwixt the Bank and her several Branches, and among the Branches themselves.

Bills payable at short sight, no doubt this might bring considerable Profits to the Bank, without encreasing the Demands on her for Cash.

I TAKE it for granted, that the Demands on Bankers are not so much to be measur'd by the Extent of their Notes issu'd as from the Exigencies of Affairs, and according to the Credit and Reputation they have gain'd; insomuch that a Banker of unquestionable Credit, supposing he is posselt of Cash enough to answer the Exigencies of his Affairs, may upon a small Summ beyond that, circulate more Notes than a Banker of less Reputation could be suppos'd to do, upon a greater, yea Ten times the Summ. And therefore, if the Bank of England, by the Measures propos'd, should not only have her Cash increas'd, but also be guarded against all Occasions of Distress; I must beg leave to set aside the before recited Remark, That to circulate a Quantity of Notes will require a Fifth Part of the Amount of them in Specie; and to conclude, that the Bank may be thus in a Condition safely to issue Notes to an Extent far beyond that Proportion.

WHAT occasion'd the late Run on the Bankers, but the Distrust which arose from the Apprehensions of their having issu'd Notes upon Funds which were not of intrinsic Value? And that many of them had actually done so, has brought a Loss upon those who trusted 'em; the

The Demand on Bankers are not so much to be measur'd by the Extent of their Notes issued as from the Exigencies of their Affairs, and the Credit they have gain'd.

The distrust, which was not without Ground, was the Cause of the late Run upon the Bankers, but when every one must know that

the failing of one *Banker* mightily discredited the Rest, and was like to occasion a *Run* upon the *Bank* it self; but when it is universally known, that according to what is propos'd, the *Bank* issues no Notes but upon absolute Securities, all such Distrusts and Fears must be at an End.

*the Bank if-
sues no Notes
but upon ab-
solute Secu-
rities, all
Fears and
Distrusts
will be at an
End.*

To carry our Views of the Matter as far as we can, let us suppose that when *Paper-Money* is authoriz'd, and the *Bank-Loans* are compleated to the full Extent mention'd, the very worst happens that can be imagin'd, I mean an *Invasion* accompany'd with a *Civil War*. What would the Consequence be? Surely not worse than it must be if this should happen to us, in such Circumstances as we are in at present, or as we have been in at any time heretofore.

*The Conse-
quence of an
Invasion and
Civil War
could not be
worse to the
Nation, or
Bank in the
Circumstan-
ces propos'd,
than it would
be to us on
the present
footing.*

It will be allow'd on all Hands, that if a foreign Enemy was in our Bosom, and we were divided among our selves, the *Bank of England* on the Foot she is now, however confin'd her *Loans* are, behov'd to give way, not being able to stand against the *Run* that would needs be made upon her; and tho' it should also be granted, that the *Bank* under the Circumstances propos'd, behov'd in such a Case likewise to give way; so far the Consequence would be but the same to the *Bank* in either Circumstances.

But I'm inclin'd to think, that in the Calamity of an *Invasion* and *Civil War*, a *Run* upon the *Bank*, so as to exhaust her Cash, and

occasion her shutting up, would be for the Interest of the Bank, and of the whole Nation, seeing nothing could be more Dangerous to the Bank than at such a time to remain possess'd of Cash, when she would be in Danger of being robb'd or spoil'd of it, either by a foreign or domestick Enemy.

If so lamentable a Case should happen, the Bank could not do better than to empty her Hands of Cash, as soon as she could, in Payment of her Notes, and if the Calls upon her were not quick enough, even to give publick Notice, that those possess'd of her Notes might come and receive their Money, till she is exhausted of her Specie; and then to shut up and declare Interest to be payable on her outstanding Notes, till she should open to pay. Thus every one would rest satisfy'd with the Bank Notes, and Paper-Money, on the bottom propos'd, knowing them to be just as secure as Titles of Land. An exact Instance of this we had in the Bank of Scotland during the late Rebellion, when tho' she was shut up, her Notes pass'd all the while as Money, without the least Discount, the Titles of her Loans being well known to be good.

But to consider it even in the View of the Bank's being robb'd of her Cash, let us make the Supposition as favourable as can be to the Bank, on the Foot she's on at present, and as unfavourable

favourable to the Measures here propos'd, by
 putting the Case as if the Bank on the present
 footing, should happen in an Invasion and Ci-
 vil War, to be possess'd of *Two or Three Millions*
Specie, and to be robb'd of them; and that on
 the Foot of *these* Proposals, by the Increase of
 her Cash, she might come to be spoil'd of *Five*
Millions; I think 'tis evident that the Loss of *Five*
Millions would not be so heavy a Loss in the
 one Case, as the Loss of *Two or Three Millions*
 in the other; neither to those who should be
 possess'd of Bank Notes, nor yet the Proprietors of
 Bank Stock: Not to the Possessors of the Notes,
 because even supposing the Loss was to fall up-
 on them, by reason of the Bank's becoming
 Insolvent, the Loss of *Five Millions* upon *One*
Hundred Millions of Notes, would be far less in
 Proportion than the Loss of *Two or Three Mil-*
lions would be upon what Notes are issu'd by the
 Bank in her present Circumstances; Nor yet
 would it be so heavy to the Proprietors of Bank-
 Stock, for the Difference betwixt *Two or Three*
Millions she's robb'd of in the one Case, and
Five in the other, would be more than recom-
 pens'd very soon, by the Interest of her Addi-
 tional Loans.

Suppose the Bank were robb'd by a fo-
 reign Enemy, and the Money carry'd out of
 the Kingdom, tho' the Loss of *Five Millions*
 would be a greater Loss to the Nation than that

If the Bank
 was even
 robb'd of her
 Cash, the loss
 would not be
 so heavy in the
 Circumstan-
 ces propos'd,
 neither to the
 Proprietors
 of Bank Stock
 nor to the
 Possessors of
 the Bank
 Notes as it
 would be to
 them, on the
 footing the
 Bank is at
 present.

Nor yet so
 heavy to the
 Nation.

of *Three*, yet the Difference would be more than compensated by the Balance of Trade, which by the Measures propos'd must turn in her Favours.

Objection, That the Loans upon Land can't be to the Extent propos'd, because that part of the Land Interest is entailed, another part is in Houses, and another part of it belongs to Persons who are not at Age.

Some probably may object against the Supposition I have made of *Loans* upon *Land* to so great an Extent, that a considerable Part of the Lands in *Britain* is entail'd, in such manner as to disable the Heirs of Entail from contracting Debts: That another great Part consists in Houses, which being subject to Fire, and frequent Repairs, are not of the Value of Country Lands, and consequently not so good a Security: And that another Part is in the Hands of Pupils and Minors, who being under Age cannot borrow.

Answer'd.

In Answer to this 'tis to be observ'd, That I have not suppos'd every Proprietor to borrow to the Amount of Four Years Purchase upon his Estate, but that the *Loans* may be to the Extent of Four Years Purchase upon the whole only: Where some Proprietors borrow nothing, others may borrow to the Amount of Ten, Twelve, Fifteen, yea Twenty Years Purchase; so that if *Loans* were but to the Amount of Twelve Years Purchase upon the Third Part of the Land Interest, my Supposition is made good tho' there was not a Penny borrow'd upon the other Two Thirds, on it would be answer'd by *Loans* to the Extent of Sixteen Years Purchase,

on a Fourth of the Land Interest, tho' nothing was lent on the other Three Fourths, and so proportionably. For any *Loan* within *Twenty* Years Purchase would be within *Two Thirds* of the Value of the *Estate*.

NOR will the Gentlemen who have their Estates entail'd, be excluded the Benefit of borrowing at the low Interest, when by many Entails Powers are given to borrow limited Sums for the Provision of younger Children. And it may be enacted by a Law, as in Equity it ought, That where entail'd Estates stand charg'd with Debts or Mortgages, the Heirs of Entail may have liberty to borrow on their Estates, what at the low Interest propos'd, may be sufficient to discharge them of those Debts and Mortgages which bear a heavier Interest.

Powers might be given by a Law to the Heirs of Entail to borrow at the low Interest what will discharge their Estates of the former Debts which bear a heavier Interest.

POWERS may be also given to the Guardians of those who are not at Age, to borrow for their Relief in the like Cases.

And the like Powers to the Guardians of those under Age.

NEITHER would Houses, in my humble Opinion, be thought an ill Security for *Loans*, to the Amount of *Four Years* Purchase, seeing the great Bulk of 'em are in *London*, *York*, *Bristol*, *Exeter*, and other considerable Towns, where most of the Proprietors have taken Insurances against Losses by Fire; and where tho' they were not Insur'd, they would still be worth more than *Four Years* Purchase, if they were even burnt to the Ground, seeing Land by the

Measures propos'd must rise in its Value. This I only mention in behalf of the Proprietors of Houses, for tho' nothing be lent upon Houses, my Supposition stands intire.

Objection,
That the raising the Value of the Stocks will give Opportunities to the Foreigners to sell out, and drain us of our Specie.

SOME may think, the raising of the Stocks to the Values mention'd, may give the Foreigners Opportunities to sell out, and drain us of our Specie: But if the Stocks are rais'd on so solid a Bottom, every one will be satisfy'd that they are of *intrinsec* and *adequat* Values; and when the Foreigners can neither imploy their Money at a better Interest, nor have the like Security any where else, as under our *Constitution*, What should be their Temptation to draw? On the contrary, as we are to presume they will be conducted by Reason, 'tis rather to be expected they would lodge their Money here: But put the Case (which I think very little to be apprehended) that even against Reason they should chuse to draw, ought that to hinder us from pursuing Measures which must so much raise the Value of *Britain*, and Restore our *Credit*, whereby our *Manufactures* shall be employ'd in all their Branches, and our *Trade* carry'd on far and near with Vigour, by the *Balance* whereof, we must very soon draw back more *Specie*, than it can be imagin'd may be carry'd from us.

Objection,
That the appointing of Paper-Mo-

THE only Difficulty then that seems to remain is, that some think the appointing of Pa-

per-

Paper-Money may be a dangerous Expedient; for, *say they* if it comes to be Discredited, and has not the desir'd Effect, what Remedy is left us, and where shall the End be? *noy is a dangerous Expedient, for if it fails what Remedy is left us?*

HAVING put this Objection, I hope, in its full Force, in Answer to it I shall suppose, That when the *Paper-Money* is issu'd by the Bank in *Loans*, upon some Occasion (so remote and extraordinary, as is not to be foreseen or imagin'd by those of the greatest Sagacity) it falls into Disgrace, either while it remains in the Hands of him who borrow'd it immediately of the Bank, or after it has pass'd to other Hands for valuable Considerations:

Answered.

If in such an Event the *Paper-Money* remains with him who borrow'd it of the Bank, his obvious he can repay it, to extinguish the *Loan* upon his Estate, and so could sustain no Prejudice; and for what Part of it may have pass'd to the Hands of others, and stagnates with them, they would have a sure Relief by applying to the Bank, that in Case she will not give them *Specie* for this *Paper-Money*, she may upon a short Notice call for Payment of so much of her *Loans* as will answer it, which both in Law and Equity she would be oblig'd to do, seeing the Securities taken for the *Loan* of this *Paper-Money* would still be with her.

From my own part, I can't so much as imagine any Event whatsoever, wherein such a

be at an Uncertainty, with Respect to the Value of this *Paper-Money*, so long as Property remains, and a Man can call any thing he has, his own : Nor can I conceive it possible, that the Means propos'd, should fall short of having the desir'd Effect; and 'tis certain, that the making the *Experiment*, can be of no Prejudice to us.

The Reasons why it is propos'd that the Paper-Money should be plac'd in the Bank. I HAVE propos'd, that the *Paper-Money* should be plac'd in the Bank; not that I have any *Attachment* to that Company, or have any Concern in that Stock; but that plac'd here, it will be less liable to Exceptions than any where else; this being the Company upon whose Security given for taking in and sinking the *Paper-Money*, People will with the greatest Confidence rely : Besides that, it could nowhere else, in any Measure, answer the Ends for which it is design'd. Nor is it very probable, that the Government will encroach upon the Rights of the Bank, by assuming a Privilege of Banking, or allowing it to any other Company. EVERY one who reads this Scheme with Attention, will easily perceive that the *Paper-Money*, which is to be sunk in the Term of Years mention'd, will have its Place abundantly supply'd by the *Reserves* that are to be made of a small part of the Bank Profits for a few Years in the beginning only, and these *Reserves* being added to the Bank Stock for the behoof of all the Proprietors, must not only render

render the Stock more valuable, but will also serve to maintain the Bank Powers on a solid and lasting Foundation.

IF these *Proposals* are acceptable, I shall take an opportunity to shew how they may be very much improv'd, for the Benefit of the *Nation* in general, and of the Three *great* Companies in particular: If they are not, I shall think my self very much oblig'd to any, who will give themselves the Trouble of offering their Objections, and if they are of Weight, I shall endeavour to remove 'em, or ingenuously own the Invalidity of this Scheme, and insist on it no more; but be glad if it excites others of better Judgment, to offer what may more effectually answer the Ends here propos'd.

F I N I S.

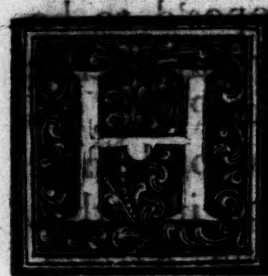


render the Stock more valuable, but will also
 leave to maintain the Bank Powers on a solid
 and lasting Foundation. If these Proposals are acceptable, I shall take
 an opportunity to shew how they may be very
 much improved, for the Benefit of the Nation
 in general, and of the Three great Companies
 in particular: If they are not, I shall think my
 self very much oblig'd to any, who will give
 themselves the Trouble of writing their Ob-
 jections; and if they are such, that I shall en-
 deavour to remove 'em, and ingeniously own
 the Invalidity of this Scheme, and insist on it
 no more; but be glad if it excites others of
 better Judgment, to offer what may more effec-
 tually answer the Ends here propos'd.





APPENDIX.



HAVING finish'd the preceding *Scheme*, the only thing that remains to be consider'd is, how an *Equivalent* may be given for the Debt due from the *South-Sea Company* to the *Publick*, and a valuable *Consideration* for the Use of the *Paper-Money*, requisite for executing the *Scheme*; that suitable *Inducements* mayn't be wanting for *re-mitting* the one, and *granting* of the other.

Now, seeing the *Scheme* is design'd not only for the *Relief* of *those* who have lately suffer'd by the *Fall* of the *Stocks*, and the *Decay* of *Credit*, but also for the good of the *Nation* in general, 'tis but just, that on the one hand, the *Relief* of the *Sufferers* be in some Measure proportion'd to their several *Circumstances*, and that on the other, a due *Regard* be had to the *Publick*.

It remains that an Equivalent be given to the Publick for the Debt due from the South-Sea Company, and a Consideration for the Use of the Paper-Money.

'Tis certain, that of the *Proprietors* of the *Three Companies*, those of the *South-Sea*, as being the most numerous, and by far the greatest Sufferers, have the best Plea for the Consideration and Compassion of our *Legislature*; and therefore it may reasonably be hop'd, that the Dividends propos'd for them by the *Scheme*, will not be grudged.

BUT as there seems not to be the same Reason for allowing the *Proprietors* of the former *Capital* of the *Bank*, to carry off such great *Dividends*, as by the *Scheme* are propos'd to be made upon *Bank-Stock*, seeing they can neither pretend to have bought that *Stock* at Prices so high by one half as the Measures propos'd, must needs raise it to: Nor can they imagine, that without the *Parliament's* appointing *Records*, and allowing the *Bank* the Use of the *Paper-Money*, they could ever come at such *Dividends*; I humbly think they will have no Cause to complain, if in place of their drawing *Dividends* of 32*l.* 11*s.* 6*d.* per Cent. they are allowed only 10*l.* per Cent. whereby the remainder of the *Dividends* falling to their Proportion, may be apply'd to the Use of the *Publick*, either for discharging part of the *Publick-Debt*, or for freeing the Nation of the *Land-Tax*, which I am hopeful it would go very near to do: as will appear thus.

The Equiva-
lent and va-
luable Consi-
deration pro-
pos'd.

ACCORD-

ACCORDING to the Scheme, the yearly Dividends upon Bank-Stock, will be very soon after the rate of 32*l.* 11*s.* 6*d.* per Cent. whereby the Proportion arising on the 5,559,995*l.* 14*s.* 8*d.* being the former Capital of the Bank, amounts to no less than - - -

Now supposing that out of this Sum 10*l.* per Cent. upon the above-mention'd former Capital of 5,559,995*l.* 11*s.* 5*d.* the Bank were allow'd to the Proprietors, amounting to - - -

There would still remain yearly - - - 1,255,169*l.* - - - 8*d.* Being no less than

AND this either as a Fund for sinking the Publick-Debts, or to be apply'd in case of the Land-Tax; which as hath been said, it would go very near to clear, while this Tax is after the rate of 3*s.* of the Pound; nay, would do more than answer it, should the Bank-Loans be encreased (as I can't doubt but they would) beyond what I have suppos'd them. 1,255,169*l.* or 8*d.* yearly -

THE Proprietors of the former Capital of the Bank ought to be contented with a yearly Dividend of 10*l.* per Cent. as being not only higher by a full fourth Part, than the Profits they have hitherto been in use to divide, but also upon a surer Foundation; and the rather, that thereby the

the *Bank-Stock* wou'd be rais'd to more than 250*l.* *per Cent.* of intrinſick *Value*; which wou'd go nearer to relieve thoſe who purchas'd in it, at high *Prices*, than any thing yet propos'd cou'd do, for relieving the Sufferers of the *South-Sea Company*.

BUT leſt the *Proprietors* of the former *Capital* of the *Bank*, upon this Limitation of their Gains, ſhould content themſelves with making *Bank-Loans* only to ſuch an *Amount*, as that the *Interest* of 'em wou'd answer to *Dividends* of 10*l.* *per Cent.* which they themſelves are to receive, and might be careleſs of extending their *Loans* farther, to the great Diſappointment of the *Publick*, and the *South-Sea Company*: It is humbly propos'd, that theſe *Proprietors*, in order to engage 'em heartily in the *Interest* of all concern'd, be allow'd, beſides the *Dividends* of 10*l.* *per Cent.* a *ſixth Part* of what farther *Profits* ariſe on their Proportion of *Bank-Stock*. Now this *ſixth Part*, upon Suppoſition that *Loans* are made to the Extent mention'd in the *Scheme*, will afford them a farther *Dividend* of 3*l.* 15*s.* 3*d.* *per Cent.* which added to the 10*l.* will make their yearly *Dividends* to amount to 13*l.* 15*s.* 3*d.* *per Cent.* and conſequently their *Stock* to be worth 320*l.* *per Cent.* and more; and yet this *ſixth Part* deducted from the before-mention'd *Summ* of 1,255,169*l.* --- 8*s.*, there will

will still remain to the *Publick* the *Summ* of 1,045,974*l.* 3*s.* 10*d.*; which would answer more than *two Thirds* of the *Land-Tax*; and will, I hope, be thought not only a full *Recompence* for the *Remittance* of the *Debt* due from the *South-Sea Company* to the *Government*, but also a valuable *Consideration* for the *Use* of the *Paper-Money*, and for any other *Encouragements* proposed to be granted to the *Bank*; and consequently will serve to set aside any *Objections* that might otherways be made against the granting of 'em, especially seeing they are not only design'd and calculated for the *Benefit* of almost every *Subject* of *Britain*, in his private *Capacity*; but also are made to be so much subservient to the *Interest* of the *State*.

It may probably be objected to the *Supposition* I have made of the *Amount* of the *Bank-Dividends*, that no such quantity of *Money*, I mean *Paper-Money*, and *Bank-Notes*, as I have suppos'd to be borrow'd of the *Bank*, will be wanted or circulated; so that the *Bank-Loans* being to a less *Amount*, the *Dividends* arising from the *Interest* of 'em, must be proportionably less, and consequently that the *Scheme*, tho' executed, will neither afford the *Advantages* proposed to the *Proprietors* of the *Stock*, nor a valuable *Consideration* to the *Publick*, for the *Remittance* of the *Debt* due from the *South-Sea Company*, and the *Use* of the *Paper-Money*.

Or upon another Supposition,
1,045,974*l.*
3*s.* 10*d.*

Objection,
That the
Bank-Loans
will not be to
the Amount
suppos'd.

Answer'd.

THO' 'tis very hard, if not impossible, to fix precisely the Amount, of what in pursuance of the Measures propos'd, may be borrow'd of the *Bank*, or perhaps to come very near it; yet, seeing so much will be borrow'd, as will not only serve to discharge the *Land-Interest* of any former Debt, but as will also answer the other *Demands* of the *Landed-Gentlemen*, and the *Exigencies* of the *Proprietors* of the *Stocks*, and as both of 'em can imploy in Trade, and Improvements of Land, which must need require *Summs* to a very considerable Amount, not less, as I humbly conceive, than has been suppos'd, and that thereby *Manufactures* and *Trade* will be encourag'd, and Money dispers'd in abundance among the People of every *Rank*, one would think, we should be dispos'd to accept of the *Scheme*, tho' the *Bank-Loans* were even to a less Amount, unless it could be shewn, that what is propos'd, is either impracticable, or would not answer these Ends.

BUT if, from observing what has happen'd in time past, we may make Inferences of what we are to expect in time to come, we need only consider how much the Use of *Notes of Credit* passing as *Money*, has increas'd within these few Years: Should we look back but 50 Years, or less, how very few of 'em were then in Use, compared with what quantity we had lately? I am perswaded, not so much as one tenth Part of what

what we have at present, even after all our Disasters, and that we have lost, as some think, above *four fifths* of what we had of 'em within these few Months: If this is admitted, then 'tis not long since *Notes of Credit* were to *fifty times* the Amount of what they were 50 Years ago.

THE encrease of the *Notes of Credit* was greater upon the Erection of the *Bank* in the Year 1694, than ever it had been before: Why? Because this Company, from the Security of her Funds, gain'd a greater Credit than private *Bankers* could pretend to; and as *Credit* was rais'd to a higher Pitch, *Commerce* was extended, which having occasion'd still greater Demands for *Notes of Credit*, to supply the place of *Money*, those who could not have 'em of the *Bank*, for want of proper *Securities*, apply'd themselves to private *Bankers*, who at first issu'd *Notes* only in small Quantities; but as they gain'd Reputation, and the Demand increas'd, ventur'd to issue 'em to a much greater Extent; and that those *Notes of Credit* have decreas'd so much of late, was not for want of Occasions for *Money*, or for what pass'd as *Money*, but from the *Distrust* that arose, because many of *them* had been issu'd upon no such solid *Securities*, as by the *Scheme* are propos'd: What then should hinder, when Funds of *Credit* are ascertain'd to a far greater Extent than
ever

ever was known, but that the *Paper-Money* and *Bank-Notes*, on such a sure Foundation, should be in Demand to as great an Amount, as the *Notes of Credit* were before?

SHOULD we only suppose the *Occasions* and *Demands for Money*, or for *what* would pass in place of *Money*, to be as great as *they* were before the late Decay of *Credit*, I'm persuaded my Supposition of the Amount of the *Bank-Loans*, on the footing propos'd, would be answer'd; and did the *Demands* increase by the same Progress, as they have done for a tract of Years past, it would soon be exceeded; especially seeing the establishing of *Records*, and enabling the *Bank* to lend, in the Terms propos'd, must give such an advantageous turn to our Affairs, and so much extend our *Commerce*, that the *Demands of Money*, or of what will pass for it, will be greater than they have been at any time heretofore.

Though I'm persuaded the *Bank-Loans* would rather exceed, than come short of the *Amount* suppos'd; yet as the *Scheme* is design'd for the general Good, and ought to be made as far as may be, to the Satisfaction of every one, let us suppose the *Bank-Loans* were to a lower *Amount* than it is reasonable to think they will, and that in place of *Thirty Millions*, suppos'd to be lent upon the *Stock*, there were only *Twenty*, and in place of *Eighty* upon *Land*, there

*Yet the Loans,
supposing 'em
less by Forty
Millions,*

there were but *Fifty*, the *Dividends* would, nevertheless, stand thus.

By the preceding Scheme, the yearly Amount of the *Bank-Profits*, (the *Loans* upon *Stocks* being reckon'd to *Thirty Millions*, and these on *Lands* to *Eighty*) amount to

HENCE deduce the Interest of *Forty Millions* at 3 per Cent. with a Proportion of the half per Cent. of additional Interest for the first and every tenth Year of the Loan

There remains of yearly Profits to the Bank

4,254,799l. 13s. 2d.

1,221,818l. 03s. 7³/₄

3,032,981l. 09s. 6¹/₄

Would still afford a Dividend of 23l. 4s. 5¹/₂ per Cent. on Bank Stock.

Which affords of yearly Dividend on every 100 l. of the Original and Ingrafted Bank Stock

Now every Proprietor of 100 l. Original *South-Sea* Stock, with the *Midsummer's* Dividend, upon the Supposition that the Ingraftments propos'd take place, being intitl'd to 83l. 18s. 4d. of *South-Sea* Stock, 31l. 9s. 7d. Bank, and 31l. 9s. 7d. *East-India*, the Dividends arising will be as follow.

Q

83l.

83*l.* 18*s.* 4*d.* *South-Sea Stock*, at a Dividend of 8 per Cent. *66*l.* 14*s.* 3*d.**
 31*l.* 09*s.* 7*d.* *Bank Stock*, at a Dividend of 23*l.* 4*s.* 5*d.* per Cent. *07*l.* 06*s.* 2*d.**
 31*l.* 9*s.* 7*d.* *East-India*, at a Dividend of 7*l.* per Cent. is -- *02*l.* 4*s.* 0*d.**

161.4*s.* 6*d.*
 upon that of
 South-Sea,

Inde, The annual Dividend arising upon 100 *l.* Original *South-Sea Stock*, with the Midsummer's Dividend, is - - - - - *161.4*s.* 6*d.**

Upon this last Supposition of the Amount of the *Bank-Loans*, the Proportion of yearly Dividends, arising on the 5,559,995*l.* 14*s.* 8*d.* being the former Capital of the Bank, is - - - - - *1,291,193*l.* 03*s.* 6*d.**

From which, supposing a Dividend of 10 *l.* per Cent. were allow'd to the Proprietors of the former Capital of the Bank, amounting to - - - - - *0,555,999*l.* 11*s.* 5*d.**

There would remain - - - - - *0,735,193*l.* 12*s.* 0*d.**

And leave
 the Sum of
 612,661*l.*
 6*s.* 8*d.*
 yearly to the
 Publick.

And tho' a sixth Part of this was given to the Bank, being *0,122,532*l.* 9*s.* 4*d.**

There would still be left to the Publick yearly - - - - - *0,612,661*l.* 6*s.* 8*d.**

Which

Which would be a sufficient Inducement for *remitting* the Debt due from the *South-Sea* Company to the Government, and for *granting* the Use of the *Paper-Money*, and any other *Encouragements* propos'd by the *Scheme*; and at the same time *South-Sea* Stock would still be worth more than 400 *l. per Cent.* which, besides its having the other good Effects mention'd, would abundantly satisfy the *Annuity*ants, and save the *Proprietors* of the Stock from *Ruin*; neither would *Bank* Stock be worth less than 300 *l. per Cent.* nor *East-India*, than 175 *l.* And supposing One Million of this was exchange'd for a Million *Bank* Stock, *East-India* Stock would be worth more than 200 *l. per Cent.* all without Force, or breaking in upon the *Rights* of any.

AND tho', to satisfy the most diffident, the *Loans* were suppos'd to be yet less by Ten Millions, the yearly Dividends upon *South-Sea* Stock would be more than 15 *l. per Cent.* which would still make the Stock worth 400 *l. per Cent.* and considerably more than half a Million per Ann. would accrue to the Publick as a Fund for sinking the national Debt.

THAT the *encreas'd* Power of the *Bank* on the Foot of the *Scheme*, may give Umbrage to none, 'tis to be observ'd, That the *Proprietors* of the *South-Sea* and *East-India* Companies, in Virtue of the Ingraftment and Exchange propos'd, will have Voices in the Choice of the *Bank*.

Bank-Directors, in Proportion to their several Interests in *that* Stock; and therefore can't reasonably entertain any Jealousies of the Powers suppos'd to be given to the *Bank*; and the Parliament may easily order it so, as no just ground of Suspicion may be left with respect to the Interest of the *Publick*.

THIS said, I can't imagine what can be objected to the *Scheme*, seeing the *registering* of *Estates*, tho' a very proper and sure *Measure* for restoring *Credit* on a lasting Foundation, is to be forc'd upon none, but every one is left at Liberty, to register his *Estate*, or not, as he pleases: And that if *Ten Millions* of *Paper-Money* is thought too much, a trial, as has been said, may be made with *Five*, yea, with *Three*; which, as can be demonstrated, would in a very little time, tho' perhaps not with the same Expedition, be sufficient to execute the *Scheme* to its full Extent, and how much this *Paper-Money* being really a Mortgage of Land, is preferable to Exchequer, or any other *Notes*, which by reason of the Interest they bear, are a growing Burden on the Nation, the Parliament will easily judge.

Conclusion.

SEEING what is offer'd, is, if I'm not very much mistaken, not only obvious, but brought down to the meanest Capacity, I would fain hope, that *Proposals*, which have so desirable a Tendency, will, under so gracious a Sovereign, and a *British* Parliament, meet with a favourable Reception, for the Good of the *Publick*. *

POSTSCRIPT

TO THE

PROPOSALS

Restoring CREDIT, &c.

SEEING from what has been said in the *Proposals* and *Appendix*, it is plain, that the Establishing of *Registers* for *Land* is not only practicable, but also for the Convenience and Advantage of every one; and that the *Paper-Money* requir'd to execute the *Scheme* is propos'd on such a *Foundation* as puts it beyond Exception either as to its *Value* or *Circulation*; one would expect, that, in our calamitous Circumstances, what is

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convincingly

Tho' the Paper-Money is propos'd on a Foundation

as puts it beyond Exception

it is beyond Exception

it is beyond Exception

it is beyond Exception

it is beyond Exception

convincingly offer'd for our *Relief* should be accepted with *Pleasure*.

Yet lest the *Prejudice* against the very Name of *Paper-Money* may be so strong, as not to be overcome, it may be fit to propose an *Expedient* to serve without it.

As the Bank on the footing propos'd will not be obnoxious to *Distrust*, no *Demands* will be made upon her for more *Specie* than the necessary *Occasions* require.

So it will only be needful, that she be fully enabled to answer these, and then she may safely issue *Notes* to such Amount as will answer all the ends of the Scheme.

BUT lest the *Prejudice* against the very Name of *Paper-Money*, however groundless in this case, should be so inveterate and strong, as not to be overcome by *Reason*, nor the most pressing *Necessity*; we'll endeavour to find out an *Expedient* for executing the *Scheme* without the use of this kind of *Money*.

I HAVE already supposed in the *Scheme*, and I hope abundantly establish'd it as a *Principle*, which must be admitted, That where so much *Money* is dispersed through a *Nation* as is sufficient for ordinary *Uses*, and the *Bank* is possess'd of enough to answer any necessary *Demands* that may be made upon her, and issues her *Notes* only upon such *Securities* as are unexceptionable, she will be so little obnoxious to *Distrust*, (the only Cause that at any time more *Specie* is demanded than there is Use for) that she will be in a condition to issue with safety *Notes* to a very great *Amount*.

AND seeing in such Circumstances no *Demands* would be made upon the *Bank* for more *Money* than People's necessary *Occasions* require; it only remains that means be propos'd, whereby the *Bank-Cash* may be so increased, as to enable her fully to answer these: For was it but increased to that degree, she would be in a condition to issue her *Notes* in *Loans* upon *Land*,

Land, and the *Stocks* of the three *Companies* to such an Amount as would answer all the ends of the Scheme.

IN order to this, should our Legislature think fit to appoint Bank-Notes to be receiv'd in the *Revenues* and *Taxes*, with a small *Encouragement*, was it but a *Premium* of a *Half per Centum* to such as pay in these *Notes*; THIS, in my humble Opinion, with the *Bank's* striking *Notes* for even Sums, and some small ones for 5*l.* and 20*s.* apiece, and settling *Branches* in the most considerable Places of the *Kingdom*, as has been already propos'd, would soon give the *Bank-Notes*, issu'd on such *Securities*, a *Currency* all over the *Nation*, and make 'em to be universally preferr'd to *Money*, not only for Convenience, but also for the Opportunity People might have of passing 'em in the *Revenues* and *Taxes*, or of obliging their Friends with them on such Occasions.

By these Means, not only the *Money* now in the hands of private *Bankers*, but also a great part of what is at present necessary in Circulation, would be drawn into the *Bank*, whereby her Cash would be increas'd, so as to be more than sufficient to answer any *Demands* made upon her for *Money*: and every one finding his *Demands* duly answer'd, would look upon *Bank-Notes* as *Money*, and even prefer them to *Money*: So that the *Bank* would be fully enabled,

without

The Expedi-
ent for this
propos'd

Whereby the
Bank will be
fully enabled
without the
use of *Money*
to give
the *Notes* on
the *Securities*

propos'd,
without be-
ing in danger
of any Run
upon her.

The Bank's
issuing Notes
to a great A-
mount on
such Securi-
ties, would
be so far from
occasioning
the Increase
of Demands
upon her for
Money, that
the Bank-
Notes would
serve in place
of Money,
and lessen the
Demands.

without the use of *Paper-Money*, to issue Notes in *Loans* on the *Securities* propos'd, and at the same time be in no danger of a *Run* upon her.

So far would the Bank's issuing Notes to a great Amount on such unquestionable *Securities*, be from occasioning the Increase of *Demands* upon her for *Money*, that on the contrary, I'm persuaded the *Bank-Notes* would in great mea- sure serve in place of *Money*, and consequently the more the Use of 'em obtain'd, there would be the less Demand for *Money*; in so much that thro' the whole *Specie* now in Circulation were not sufficient, on our present footing, to answer the necessary *Occasions*, yet with the help of the *Bank-Notes* propos'd, 'tis demonstrable that much less would suffice.

Tho' this is obvious, and very plain, yet to bring it down to the meanest Capacity; Upon the *Supposition* already made in the *Proposals*, that in *Britain* there are *Ten Millions* of *Specie*, whereof sometimes a greater part and some- times a lesser, is circulated thro' the Kingdom, from *Five Millions* to *Seven*; so that *Six Millions* may be taken as a *Medium* for the Amount of what is circulated in *Specie*, leaving the remain- ing *Four Millions* to the *Bank*, and in the hands of private *Bankers*: I take it for granted, that by the *Means* now propos'd, the *Bank-Notes* will have such a large Field of Circulation opened, and will become so universally accep-

By the help
of the Bank
Notes less
Specie will
be in cir-
culation

table and current, and even in Markets, that with the help of them, one Half at least of the Specie now in Circulation will suffice, whereby the other Half will be drawn into the Bank, or which is the same thing in effect, will so far prevent the Demands upon her for Money. Or, to put the Supposition even lower than in reason we ought, let us suppose that notwithstanding the Use of the Bank-Notes, two Thirds of the Money now current should still be required for Circulation, so that only the remaining Third was to be drawn into the Bank, yet this Third, which may be computed to amount to Two Millions, would be a very considerable Addition to the Bank-Cash.

If of the Four Millions Specie reckon'd to be in the Bank and in the hands of private Bankers, we shall suppose Three Millions to be with the Bank, these, with the Two Millions added, which are supposed to be saved of the Money now in Circulation, would make the Bank-Cash amount to Five Millions.

And tho' of the One Million reckon'd to be in the hands of private Bankers, we shall suppose only One Half to be drawn into the Bank (which, I am confident, will be thought a very modest Computation,) yet the Bank-Cash would thus be increased to Five Millions and a Half, which is at least Two Millions and a Half more than it can otherways be computed to.

S

THUS,

*So the Bank
could never
want Money
to answer
necessary De-
mands; and
were there
Demands up-
on her for
more than is
necessary,
could be at no
loss to answer
'em, from the
returns of her
Loans, and
the Demands
she could
make on her
Debtors.*

THUS, it can't be suppos'd that the *Bank*, in those Circumstances, could ever be in want of *Money*, to answer necessary Demands, and could we suppose that Men would act so much against Reason and their own Interest, as to make Demands for more than is necessary, the *Bank* could be at no loss to answer even these, from the continual Returns she would have of her Loans, and the Demands she could make on her Debtors.

SHOULD they who borrow of the *Bank*, be obliged to repay on short Notice, were it but by such Proportions as perhaps 'twere reasonable to fix, the *Bank* would never be in danger of any Run, but what she could quickly stay, by a Call upon her Debtors, which they being to answer either in *Specie*, or *Bank-Notes*, would make the *Bank-Notes* to be as much in demand as *Specie*, whereby any Run upon the *Bank* would be at an end.

As the *Bank-Loans* on the *Securities* propos'd should happen to be increas'd, the *Credit* of the *Bank* would be rais'd by reason of the *Profits* accruing.

*Such Mea-
sures then
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Land, con-
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SUCH Measures then would not only at once Restore Credit on a solid and lasting Foundation, make the *Land-Interest* worth near the double of what it is now, and raise the Value of the *Stocks*, particularly that of the *South-Sea*, so as both to content the *Annuityants*, and re-

lieve many of the other *Sufferers*, but would also give new Life and Spirit to *Trade* and *Manufacture*, and bring more than *One Million per Annum* to the *Publick*, as appears from the *Appendix*.

ther Suffer-
ers, give life
to Trade, and
bring more
than One
Million per
Annum to
the Publick.

THE *Bank* might make good to the *Government* at the end of every Year the *Premium* allow'd on the *Bank-Notes* paid in the *Revenues* and *Taxes*, which, as is observed in the *Proposals*, could not exceed 25000 *l. per Annum*; a very small matter out of the *Profits* the *Bank* would make by the Measures propos'd.

I HAVE already considered so particularly in the *Proposals*, all the *Inconveniencies* I could imagine a *Bank* in such *Circumstances* might possibly be obnoxious to, and have endeavour'd so fully to obviate any *Difficulties* and *Objections* arising thence, that I should weary the Reader, and disparage his *Understanding*, did I recite or insist further on 'em.

AND considering the *Advantages* of a *Land-Register*, there fully set forth, especially seeing it is made optional to every one to Register his *Estate*, or not, as he pleases, I can't imagine what should make us in the least averse to it.

IT were unpardonable in me to suppose, that so many as make a *Majority* of the *British Parliament*, are in such a State of *Bankruptcy* as those Measures would not recover, and who therefore might find their *Aecount* in opposing 'em.

No Opposi-
tion to these
Measures is
to be appreh-
ended from
the Members
of Parlia-
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N O B



Nor from the
Gentlemen of
the Long
Robe.

Nor can I apprehend any Opposition from the Gentlemen of the *Long Robe*; seeing 'tis certain, that *those* of 'em that are of *Name*, and deserve *Regard*, would be far from suffering their own private *Interests* to vye with the *Grand Concerns* of the *Nation*, did *these* even Interfere: But in this case all of 'em must be sensible that such *Measures* would be so far from hurting 'em in their private *Business*, that they would get *more* with universal *Good-Will* in their own *Lives*, by clearing of *Titles* for the *Registers*, than they could otherways propose to *themselves* and their *Successors* for *Ages* to come.

As I'm persuaded that every one who examines, will allow the *Principles* of this *Scheme* to be *Simple* and *Solid*, the *Reasonings* from 'em to be *just*, and that *what* is propos'd is *safe* in the *Experiment*, consider'd even in the remotest *Consequences*, I can't chuse but hope, that what is offer'd for the general Good will be favourably receiv'd.

For the Rest I refer the Reader to the *Proposals* and *Appendix*; and after observing that any Partition that shall be made of that part of the *Capital* of the *South-Sea Company* yet undispos'd of, will not in the least hinder the execution of this *Scheme*, I shall only add, that if the *Measures* propos'd are receiv'd either with or without *Paper-Money*, they may be further improv'd for the Benefit of the *three Companies*, and of the whole *Nation*.